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UNCLAS SECTION 01 OF 04 SAO PAULO 000558

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TAGS: [PINR](#) [PGOV](#) [PREL](#) [SNAR](#) [BR](#) [AVERY](#)
SUBJECT: WHAT HAPPENED TO THE PCC?

REF: A. ASUNCION 701 (08)
[1](#)B. ASUNCION 338 (07)
[1](#)C. INCSR BRAZIL 2008
[1](#)D. SAO PAULO 228 (08)
[1](#)E. SAO PAULO 66 (08)
[1](#)F. SAO PAULO 873 (07)
[1](#)G. SAO PAULO 447 (07)
[1](#)H. SAO PAULO 975 (06)
[1](#)I. SAO PAULO 526 (06)
[1](#)J. SAO PAULO 319 (06)

[1](#)1. (SBU) Summary: For three days in May 2006, the imprisoned leaders of the Sao Paulo-based criminal organization, the First Capital Command (PCC), orchestrated uprisings in Sao Paulo's streets and in Brazil's prisons that killed almost fifty police, captured global headlines and paralyzed the nerve center of the world's eighth-largest economy. Police struck back, killing scores of PCC members (Refs H, I and previous). The violent outburst ended as swiftly as it began and the PCC has not since launched any similar mass attack. While observers attribute the uneasy peace to better police capabilities, limits on imprisoned PCC leaders' access to outside contacts, and the housing of key PCC leaders in a new "supermax" prison in Parana State (Ref I), the PCC remains strong, benefiting from lucrative drug and arms smuggling operations that reach across Brazil and extend deeply into neighboring Paraguay with international links to Bolivia and even Portugal (Refs A, B, C, H). Locally, the PCC retains its insurrectionary capability, at times reacting to police drug raids with neighborhood-level uprisings that last for a night. To truly eliminate the PCC criminal threat, Brazil must further professionalize its police, both expand and tighten its porous prison system, and see that greater state services and opportunities reach the marginalized youth of the poorest neighborhoods where the PCC recruits its followers. End Summary.

Three Days that Shook Sao Paulo

[1](#)2. (SBU) Following the transfer of some of its imprisoned

leadership to isolated facilities, the Sao Paulo-based criminal organization First Capital Command (PCC) waged war against police, judicial and prison authorities for three days (May 12-15) in 2006. Organized PCC gang members openly attacked police stations and police officers at home, took over several prisons, burned buses, and effectively paralyzed the country's financial nerve center. Almost 50 police were killed in the attacks, which captured headlines around the world. Initially taken by surprise, the police struck back, killing over 150 alleged PCC members and, according to critics, at least some innocents caught in cross fires (Refs H, I). The violence ended suddenly on May 15, when PCC leaders announced a "truce" with local government authorities (something the latter denied) (Ref F). Even so, in the ensuing months, Sao Paulo remained jittery, as smaller incidents of apparent PCC-related violence flared. Since that time, the PCC has lowered its overall profile. The organization remains strong, however, benefiting from lucrative trades in drugs and arms, a strong presence in prisons, and a demonstrated capability to mobilize violent neighborhood uprisings against police intervention in the narcotics trade.

PCC Origins: Born in the Prison System

13. (SBU) The PCC was founded in 1993 by eight inmates of Sao Paulo State's Taubate prison, allegedly as an organization dedicated to fighting for prisoner rights. Unlike more typical criminal organizations, it has a series of founding statutes that emphasize its goals to reform the

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prison system and to promote "peace and justice." (Members refer to the organization as "the Party.") Operationally, the PCC modeled itself after the Sicilian Mafia with strict entrance requirements, organized contribution obligations for members and an agreed death penalty for disloyalty. The group grew quickly in Sao Paulo's overcrowded, laxly administered prison system, using smuggled-in cell phones to coordinate outside actions, primarily trade in illegal drugs and guns, but also other criminal activities.

Less Violent Efforts to Control PCC Take Root

14. (SBU) State and national authorities responded to the PCC's 2006 uprising with commensurate violence on suspected PCC members that left scores dead and reportedly included extrajudicial executions and the deaths of some innocents. (COMMENT: Human Rights watchers argue that these cases have never been fully investigated. END COMMENT). Since 2006, Brazilian authorities have taken more subtle but, experts say, effective measures against the group such as controlling the entry of cell phones into prisons which are the PCC's key tool for coordinating its operations inside and outside of Brazil's prisons. Likewise, the GOB constructed a maximum security prison in Catanduvas in Parana State and transferred some forty senior PCC members to this facility. Finally, the Brazilian police have enhanced their operational capabilities to monitoring PCC cell phone communications and carry out larger, more complex law enforcement operations.

How the PCC Perpetuates Itself

15. (SBU) Several key factors keep the PCC going:

--Plenty of Money: Despite the loss of numerous members in 2006, restrictions on their communications and police pressure, the PCC persists. Trade in guns and drugs provide lucrative sources of income. Many of Sao Paulo's poorest neighborhood have little or no state presence and the PCC can easily generate illicit financial opportunities for the unemployed. Sao Paulo Civil Police Chief Alberto Angerami told Poloff that he knew of the case of a young drug user

who, after being arrested, was threatened with death if he revealed the names of his drug suppliers and, upon his release, was offered USD 2500/month to oversee the distribution of drugs in his neighborhood. The PCC's drug tentacles spread far outward from Sao Paulo. During a March trip to the Paraguay-Brazil border in Matto Grosso do Sul State and September travel to Foz de Iguacu, local authorities in both areas complained to Poloff of PCC drug-running in their cities, moving illegal narcotics from Paraguay to markets in Sao Paulo and Rio de Janeiro, and the associated violence this generates in poor neighborhoods where the PCC has taken root.

--International Connections: The PCC strong presence at Brazil's borders indicates its international linkages. Brazil Federal Police in Foz de Iguacu complained that PCC leaders live openly in Paraguay, due to the generally lax administration of the law in their neighbor's country. (Note: Brazil Federal Police did praise Paraguay's SENAD. Nonetheless, the weakness of other Paraguayan institutions makes that country an attractive place for PCC leaders to maintain residences. End Note.) Over the last several years, reports have indicated further PCC drug-smuggling linkages to Bolivia and even Portugal. PCC members have been arrested in both Paraguay and Portugal (Refs A, B, C, H).

--Porous Prisons: Though the prisons are less rebellious than three years ago, liberal rules regarding visits (which permit conjugal meetings between prisoners and their

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romantic partners) create multiple opportunities to smuggle cell phones into the prisons as well as transfer messages in and out (Ref E). Moreover, Sao Paulo's prisons, probably among the best in Brazil, remain overcrowded with guards underpaid. Most likely, the increased orderliness of Sao Paulo State's prison system results from an "agreement" between prison authorities and PCC leaders to keep things quiet, according to University of Sao Paulo Professor and penitentiary expert Fernando Salla.

--Long-Term Vision: Federal Police sources grudgingly praise the PCC for its "long-term" vision. The organization, they say, is cultivating its own lawyers, working to get control of key judges and backing select local politicians in Rio and Sao Paulo. One officer interviewed predicted that the PCC will eventually either establish or "rent" a political party that can promote its interests.

Adjusting Tactics, But Still Dangerous

16. (SBU) Although no major uprisings have taken place in Sao Paulo since 2006, the PCC maintains an insurrectionary capability. Just this year -- on February 8-9, August 26, and September 1 -- drug arrests by police in different Sao Paulo neighborhoods that resulted in the deaths of local residents sparked rioting and bus burning in the style, if not the scale, of the 2006 uprisings. Police reacted in all cases by flooding the area with riot police and using helicopters to monitor developments. Order was quickly restored in each case, but many observers believe that local elements of the PCC directed the riots to remind authorities of the PCC's hold over Sao Paulo's poorest neighborhoods.

Long-Term Solution: Police Professionalism, Improved Prisons, and Youth Outreach

¶7. (SBU) Several key human rights issues are closely interwoven with efforts to control the PCC. Most importantly, police violence has frequently been the spark for PCC riots and neighborhood uprisings usually after police kill someone during a law enforcement operation. These incidents generally take place in poor neighborhoods where citizen trust of the police is low to non-existent. Brazil's Civil Police, who are usually on the front lines of urban police work, receive low pay and enjoy little prestige. They have a human rights office, but, according to Consulate RSO, the program is not well funded or effective. Until professional levels are raised, the Civil Police will likely remain trapped in a vicious circle of unprofessional behavior and citizen mistrust.

¶8. (SBU) Likewise, Brazil's prisons remain far from adequate for containing and cutting off highly organized criminals with communications ability. Police sources told Poloff that, despite augmented control efforts, cell phones are still smuggled into penitentiaries and permit PCC members to coordinate activities with those on the outside, thanks to easily-corrupted, often-underpaid prison guards.

¶9. (SBU) Finally, too many of Sao Paulo's peripheral neighborhoods remained ungoverned spaces with little or no state presence, fertile recruiting grounds for PCC-connected gangs who can offer criminal opportunities to local unemployed youth. However, PCC associations come back to haunt many youth. The Sao Paulo Human Rights Commission runs a shelter for PCC-threatened youth. Originally designed to respond to problems of family violence, the program has become, instead, a kind of witness protection program for young men fleeing reprisals from drug gangs supported by the PCC. More than half of the 90 youth enrolled in the program are seeking refuge from narcotics traffickers, who torture and even kill youths who

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decide to leave drug smuggling organizations, according to Commission official Celia Christina Whitaker.

Comment: The PCC is Still There

¶10. (SBU) While Brazil has not faced a large-scale PCC outburst since 2006 and a number of tactical responses by law enforcement authorities have helped check PCC operational capability, the PCC remains a serious criminal threat. With a rudimentary ideology, criminal connections that span the country and extend into neighboring states, and an impressive operational capacity, the group's present lowered profile should not lull observers into believing it has gone away. The PCC will continue to damage Brazilian society and threaten community security, until the GOB adopts a more comprehensive and long-term strategy to improve law enforcement professionalism and opportunities for under-privileged youth.

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